

TEEKAY CORP  
Form 424B5  
January 23, 2018  
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**Filed Pursuant to Rule 424(b)(5)  
Registration Number 333-221806**

**The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

***SUBJECT TO COMPLETION, DATED JANUARY 23, 2018***

***PRELIMINARY PROSPECTUS SUPPLEMENT***

***(To Prospectus dated January 12, 2018)***

***10,000,000 Shares***

***Teekay Corporation***

***Common Stock***

*Teekay Corporation is offering for sale 10,000,000 shares of its common stock.*

*Our common stock is listed on the New York Stock Exchange (or the NYSE) under the symbol TK. On January 22, 2018, the closing price of our common stock on the New York Stock Exchange was \$10.69 per share.*

*Concurrently with this offering of common stock, we are offering to qualified institutional buyers, in a separate offering exempt from registration under the Securities Act of 1933, as amended, \$100,000,000 aggregate principal amount of our % Convertible Senior Notes due 2023, which we refer to as the notes, or a total of \$115,000,000 aggregate principal amount of notes if the initial purchasers in the concurrent notes offering exercise in full their over-allotment option. We cannot assure you that the concurrent notes offering will be completed or, if completed, on what terms it will be completed. This prospectus supplement is not an offer with respect to the concurrent notes offering. The offering of common stock hereby is not contingent upon the consummation of the concurrent notes offering, and the concurrent notes offering is not contingent upon the consummation of the offering of common stock hereby.*

*Investing in our common stock involves a high degree of risk. Please read Risk Factors beginning on page S-11 of this prospectus supplement and page 4 of the accompanying prospectus.*

*Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.*

	<i>Per Share</i>	<i>Total</i>
<i>Price to the public</i>		
<i>Underwriting discounts and commissions</i>		
<i>Proceeds to Teekay Corporation (before expenses)</i>		

*We have granted the underwriters a 30-day option to purchase up to 1,500,000 additional shares. If the underwriters exercise the option in full, the total underwriting discounts and commissions will be \$      million and the total proceeds to us before expenses will be \$      million.*

*The underwriters expect to deliver the shares to purchasers on or about January      , 2018.*

*Joint Book-Running Managers*

***Morgan Stanley***

***J.P. Morgan***

***BofA Merrill Lynch  
Co-Managers***

***UBS Investment Bank***

***BNP PARIBAS  
, 2018***

***Credit Agricole CIB***

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of shares of our common stock. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to this offering of common stock. Generally, when we refer to the prospectus, we refer to both parts combined. If information varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Any statement made in this prospectus or in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that is also incorporated by reference into this prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

You should rely only on the information contained or incorporated by reference in this prospectus or any free writing prospectus we may authorize to be delivered to you. We have not authorized anyone to provide you with additional or different information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. You should not assume that the information contained in this prospectus or any free writing prospectus we may authorize to be delivered to you, as well as the information we previously filed with the Securities and Exchange Commission (or *SEC*) that is incorporated by reference into this prospectus, is accurate as of any date other than its respective date. Our business, financial condition, results of operations and prospects may have changed since such dates.

We are not, and the underwriters are not, offering to sell, or seeking offers to buy, shares of our common stock in any jurisdiction where the offer or sale is not permitted. The distribution of this prospectus and the offering of shares of our common stock in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus must inform themselves about and observe any restrictions relating to the offering of the common stock and the distribution of this prospectus outside the United States. This prospectus does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Unless otherwise indicated, references in this prospectus to Teekay Corporation, we, us and our and similar terms refer to Teekay Corporation and/or one or more of its subsidiaries, except that those terms, when used in this prospectus in connection with the common stock described herein, shall mean specifically Teekay Corporation. Unless otherwise indicated, all references in this prospectus supplement to dollars and \$ are to, and amounts are presented in, U.S. Dollars, and financial information presented in this prospectus supplement is prepared in accordance with accounting principles generally accepted in the United States (or *GAAP*).

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**FORWARD-LOOKING STATEMENTS**

All statements, other than statements of historical fact, included in or incorporated by reference into this prospectus are forward-looking statements. In addition, we and our representatives may from time to time make other oral or written statements that are also forward-looking statements. Such statements include, in particular, statements about our future or anticipated operations, cash flows, financial position, plans, strategies, business prospects, changes and trends in our business, and the markets in which we operate. In some cases, you can identify the forward-looking statements by the use of words such as may, will, could, should, would, expect, plan, anticipate, intend, believe, estimate, predict, propose, potential, continue or the negative of these terms or other comparable terms.

Forward-looking statements reflect management's current plans, expectations, estimates, assumptions and beliefs concerning future events affecting us. Forward-looking statements involve known and unknown risks and are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond our control. We caution that forward-looking statements are not guarantees and that actual results may differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially include, but are not limited to, those factors discussed under the headings Risk Factors set forth in this prospectus and those factors discussed in our most recent Annual Report on Form 20-F, as amended, our report on Form 6-K for the quarter ended June 30, 2017 and other reports we file with or furnish to the SEC and that are incorporated into this prospectus by reference.

We undertake no obligation to update any forward-looking statement to reflect any change in our expectations or events or circumstances that may arise after the date on which such statement is made. New factors emerge from time to time, and it is not possible for us to predict all of these factors. In addition, we cannot assess the effect of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

Forward-looking statements in this prospectus or incorporated by reference herein include, among others, statements about the following matters:

our future financial condition and results of operations and our future revenues, expenses and capital expenditures, and our expected financial flexibility to pursue capital expenditures, acquisitions and other expansion opportunities;

meeting our going concern needs and our liquidity needs;

our ability to refinance existing debt obligations, raise additional debt and equity capital to fund capital expenditures, negotiate extensions or redeployments of existing assets and sell partial interests in certain assets;

our business strategy and other plans and objectives for future operations;

our future growth prospects and future trends of the markets in which we operate;

offshore, liquefied natural gas (or *LNG*), liquefied petroleum gas (or *LPG*), Long Range 2 (or *LR2*) and tanker market conditions and fundamentals, including the balance of supply and demand in these markets and spot tanker charter rates, fleet growth, price of oil, and oil production in the tanker market, including the expected recovery in tanker freight rates in 2018;

the relative size of the newbuilding orderbook and the pace of future newbuilding orders in the tanker industry generally;

operating expenses, availability of crew and crewing costs, number of off-hire days, dry-docking requirements and durations and the adequacy and cost of insurance;

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our expectations and estimates regarding future charter business, including with respect to minimum charter hire payments, revenues and our vessels' ability to perform to specifications and maintain their hire rates in the future;

certainty of completion, estimated delivery and completion dates, commencement dates and rates of charters and charter extensions, intended financing and estimated costs, and the location of service and intended use for newbuildings, acquisitions and conversions;

the expected technical and operational capabilities of newbuildings;

our ability to obtain charter contracts for newbuildings or other vessels;

our expectations on our customers' ability to pay for our services;

our ability to maximize the use of our vessels, including the re-deployment or disposition of vessels no longer under long-term time charter;

future capital expenditure and the availability of capital resources to fund capital expenditures;

future debt refinancings and our ability to fulfill our debt obligations;

compliance with financing agreements and the expected effect of restrictive covenants in such agreements;

the outcome and cost of disputes, claims and potential claims against or involving us;

the effect on the liquidity of Teekay Tankers Ltd. (or *Teekay Tankers*) from the merger of Teekay Tankers and Tanker Investments Limited (or *TIL*);

the expectations of Teekay LNG Partners L.P. (or *Teekay LNG*) regarding its ability to sell the *European Spirit*;

the future resumption of a LNG plant in Yemen operated by Yemen LNG Ltd. (or *YLNG*) and expected repayment of deferred hire amounts on Teekay LNG's two 52% owned vessels, the *Marib Spirit* and *Arwa Spirit*, on charter to YLNG, and the expected reduction to Teekay LNG's equity income in 2018 as a result of the charter payment deferral;

Teekay LNG's expectations regarding the ability of I.M. Skaugen SE, YLNG and its other customers to make charter payments to it;

Teekay LNG's expectations regarding the ability of Awilco LNG ASA to make charter payments and fulfill purchase obligations to Teekay LNG in accordance with the terms of its charter contract agreements;

our expectations regarding the expected charter contract commencement for two of Teekay LNG's 52% owned LNG carriers in Teekay LNG's 52% joint venture with Marubeni Corporation;

our expectations regarding whether the UK taxing authority can successfully challenge the tax benefits available under certain of Teekay LNG's former and current leasing arrangements, and the potential financial exposure to Teekay LNG if such a challenge is successful;

our expectation that the owner of two of Teekay LNG's Suezmax tankers under capital leases, the *Teide Spirit* and the *Toledo Spirit*, will cancel the related charter contracts for the vessels in 2018 and sell them to third parties, rather than requiring Teekay LNG to purchase the vessels under capital leases;

our expectations regarding the schedule and performance of Teekay LNG's 30% ownership interest in the assets for the development of an LNG receiving and regasification terminal in Bahrain and our expectations regarding the supply, modification, charter and timing of completion of the conversion of the FSU vessel for the project;



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the expected cost of supervision and crew training in relation to Teekay LNG's joint venture with China LNG, CETS Investment Management (HK) Co. Ltd. and BW LNG Investments Pte. Ltd. and Teekay LNG's expected recovery of a portion of those costs;

Teekay Offshore's ability to recover the lower day rate on the *Petrojarl I* FPSO unit under the amended variable rate contract;

the future valuation or impairment of goodwill;

the expected lifespan of our vessels, including our expectations as to any impairment of our vessels;

expected uses of proceeds from vessel or securities transactions, including this common stock offering or the concurrent notes offering;

the ability of the counterparties for our derivative contracts to fulfill their contractual obligations;

our hedging activities relating to foreign exchange, interest rate and spot market risks, and potential variance in the amounts recorded as derivative assets and liabilities;

our exposure to foreign currency fluctuations;

our expectations regarding uncertain tax positions;

the timing and amounts of dividends distributed by our equity accounted joint ventures;

the effects of adopting new accounting guidance;

the establishment of the new Teekay Multigas Pool L.L.C. and the expected size thereof;

our use of the FEED study to negotiate the terms of a potential FPSO contract for development of the Cheviot field;

our dividend policy and our ability to pay cash dividends on our shares of common stock or any increases in quarterly distributions, and the distribution and dividend policies of our publicly-listed subsidiaries, Teekay LNG and Teekay Tankers, and our equity-accounted investee, Teekay Offshore, including the ability to

increase the distribution levels of Teekay Offshore and Teekay LNG in the future; and  
  
the concurrent convertible notes offering and the consummation and terms thereof.

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**SUMMARY**

*This summary highlights selected information contained elsewhere in this prospectus and the documents incorporated by reference in this prospectus and does not contain all the information you will need in making an investment decision. You should carefully read this entire prospectus supplement, the accompanying prospectus, and the documents incorporated by reference into this prospectus. Unless we specifically state otherwise, all information in this prospectus supplement assumes that (i) the underwriters do not exercise their option to purchase up to 1,500,000 additional shares of our common stock and (ii) the initial purchasers in the concurrent notes offering do not exercise their option to purchase up to \$15,000,000 principal amount of notes.*

**Overview**

We are a leading provider of international crude oil and gas marine transportation services and we also offer offshore oil production, storage and offloading services, primarily under long-term, fixed-rate contracts. Over the past decade, we have undergone a major transformation from being primarily an owner of ships in the cyclical spot tanker business to being a growth-oriented asset manager in the Marine Midstream sector. This transformation has included our expansion into the liquefied natural gas (or *LNG*) and liquefied petroleum gas (or *LPG*) shipping sectors through our publicly-listed subsidiary Teekay LNG Partners L.P. (NYSE: TGP) (or *Teekay LNG*), the continuation of our conventional tanker business through our publicly-listed subsidiary Teekay Tankers Ltd. (NYSE: TNK) (or *Teekay Tankers*), and further participation in the offshore production, storage and transportation sector through Teekay Offshore Partners L.P. (NYSE: TOO) (or *Teekay Offshore*), in which we currently have a 51% general partner interest and a minority common unit interest. Our organizational structure can be divided into (a) our controlling interests in our publicly-listed subsidiaries, Teekay LNG and Teekay Tankers, (b) our equity-accounted investment in Teekay Offshore and (c) Teekay Corporation and its remaining subsidiaries.

Teekay LNG includes all of our LNG and LPG carriers. LNG carriers are usually chartered to carry LNG pursuant to time-charter contracts, where a vessel is hired for a fixed period of time. LPG carriers are mainly chartered to carry LPG and ammonia on time charters, on contracts of affreightment or spot voyage charters.

Teekay Tankers includes a substantial majority of our conventional crude oil tankers and product carriers. Our conventional crude oil tankers and product tankers primarily operate in the spot-tanker market or are subject to time charters or contracts of affreightment that are priced on a spot-market basis or are short-term, fixed-rate contracts. We consider contracts that have an original term of less than one year in duration to be short-term. Certain of our conventional crude oil tankers and product tankers are on fixed-rate time-charter contracts with an initial duration of at least one year. Our conventional Aframax, Suezmax, and large product tankers are among the vessels included in Teekay Tankers.

Teekay Offshore includes shuttle tanker operations, floating production, storage and offloading (or *FPSO*) units, floating storage and off-take (or *FSO*) units, and offshore support which includes a unit for maintenance and safety (or *UMS*), which primarily operate under long-term fixed-rate contracts, and long-distance towing and offshore installation vessels.

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See the following page for our simplified organizational chart as of January 1, 2018:

(1) Teekay LNG is controlled by its general partner. We indirectly own a 100% beneficial ownership in the general partner. However, in certain limited cases, approval of a majority of the unitholders of Teekay LNG is required to approve certain actions.

(2) Teekay Offshore is controlled by its general partner. We and an affiliate of Brookfield Business Partners L.P. (NYSE:BBU) (TSX:BBU.UN) (or Brookfield) indirectly have ownership interests of 51% and 49% of the general partner, respectively. However, in certain cases, approval of a majority of the unitholders of Teekay Offshore is required to approve certain actions. We have granted to Brookfield an option, exercisable upon certain conditions, to acquire an additional 2% interest in the general partner. As of January 1, 2018, we and an affiliate of Brookfield held approximately 14% and 60%, respectively, of the outstanding common units of Teekay Offshore. As a result of the Brookfield Transaction described below, Teekay Offshore is no longer a consolidated subsidiary of Teekay Corporation.

(3) Teekay Tankers has two classes of shares: Class A common stock (or *Class A shares*) and Class B common stock (or *Class B shares*). We indirectly own 100% of the Class B shares which have five votes each but aggregate voting power capped at 49%. As a result of our ownership of Class A and Class B shares, we hold aggregate voting power of 54.1% as of January 1, 2018.

The Teekay organization was founded in 1973. We are a Republic of the Marshall Islands corporation and maintain our principal executive headquarters at 4<sup>th</sup> floor, Belvedere Building, 69 Pitts Bay Road, Hamilton, HM 08, Bermuda. Our telephone number at such address is (441) 298-2530. Our principal operating office is located at Suite 2000, Bentall 5, 550 Burrard Street, Vancouver, British Columbia, Canada, V6C 2K2. Our telephone number at such address is (604) 683-3529. Our website address is *www.teekay.com*. The information contained in our website is not part of this prospectus.

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### Recent Developments

#### *Teekay Corporation Continuous Offering Program*

Since December 6, 2017, we have sold an aggregate of 3.99 million shares of common stock as part of a continuous offering program, generating gross proceeds of \$36.9 million. As of January 23, 2018, we had the ability to sell additional shares of common stock having an aggregate offering amount of up to \$3.4 million under our continuous offering program.

#### *Teekay Corporation, Teekay Offshore and Brookfield Strategic Transaction*

In September 2017, we finalized the strategic partnership with Teekay Offshore and Brookfield and related transactions (or the *Brookfield Transaction*), which included, among other things, the following:

Brookfield and we invested \$610.0 million and \$30.0 million, respectively, in exchange for 244.0 million and 12.0 million common units of Teekay Offshore, respectively, and 62.4 million and 3.1 million common unit warrants (or the *Brookfield Transaction Warrants*), with an exercise price of \$0.01 per unit, a term of seven years, and which are exercisable when Teekay Offshore's common unit volume-weighted average price is equal to or greater than \$4.00 per common unit until the seventh anniversary of the closing of the transaction for 10 consecutive trading days until September 25, 2024;

Brookfield acquired from us a 49% interest in Teekay Offshore's general partner in exchange for \$4.0 million and an option to purchase an additional 2.0% interest in Teekay Offshore's general partner from us in exchange for 1.0 million of the Brookfield Transaction Warrants initially issued to Brookfield;

Teekay Offshore repurchased and cancelled all of its outstanding Series C-1 and Series D Preferred Units at a redemption value of \$18.20 and \$23.75 per unit, respectively, which included our investment in 1,040,000 Series D Preferred Units. The Series D tranche B Warrants to purchase Teekay Offshore common units, which were issued as part of the Series D Preferred Units on June 29, 2016, were amended to reduce the exercise price from \$6.05 to \$4.55;

Brookfield acquired from our subsidiary the \$200 million subordinated promissory note issued by Teekay Offshore on July 1, 2016 and which Brookfield extended the maturity of from 2019 to 2022, in consideration for \$140.0 million and 11.4 million of the Brookfield Transaction Warrants initially issued to Brookfield;

Teekay Offshore agreed with the lenders of the Arendal Spirit UMS debt facility to extend the mandatory prepayment date to September 30, 2018, in exchange for a principal prepayment of \$30 million, which was paid in October 2017; and

Certain financial institutions providing interest rate swaps to Teekay Offshore (i) lowered the fixed interest rate on the swaps, (ii) extended the termination option of the swaps by two years to 2021, and (iii) eliminated

the financial guarantee and security package previously provided by us in return for a prepayment amount and fees.

As part of the Brookfield Transaction, Teekay Offshore has reduced its existing common unit distribution to \$0.01 per common unit to reinvest cash in the business and further strengthen Teekay Offshore's balance sheet.

As a result of the Brookfield Transaction, Teekay Offshore is no longer a consolidated subsidiary of Teekay Corporation.

*Teekay Tankers Share Repurchase Program*

In September 2017, Teekay Tankers announced that its board of directors had authorized a share repurchase program for the repurchase of up to \$45.0 million of its shares of Class A common stock in the open market.

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Since September 30, 2017, Teekay Tankers has not repurchased any of its shares of Class A common stock pursuant to the program.

### *Teekay Tankers Acquisition of Tanker Investments Limited*

In May 2017, Teekay Tankers entered into a merger agreement to acquire all of the remaining issued and outstanding shares of Tanker Investments Limited (or *TIL*) in a share-for-share merger at an exchange ratio of 3.3 shares of Teekay Tankers Class A common stock for each share of TIL common stock. TIL owns a modern fleet of ten Suezmax tankers, six Aframax tankers and two LR2 product tankers with an average age of 7.3 years. On November 17, 2017, the TIL shareholders approved the merger and the Teekay Tankers shareholders approved an increase in the authorized number of Teekay Tankers Class A common shares, to permit the issuance of Class A common shares as merger consideration. Upon the closing of the merger on November 27, 2017, TIL became a wholly-owned subsidiary of Teekay Tankers.

In order to refinance the indebtedness of TIL assumed in connection with the merger, on December 18, 2017, Teekay Tankers entered into a revolving credit facility providing for aggregate borrowings of up to \$270 million, which matures on December 21, 2022. Interest on the loans under the revolving credit facility are based on LIBOR plus a margin of 2.75%. The revolving credit facility is collateralized by first-priority mortgages granted on 14 of Teekay Tankers vessels.

### *LNG Carrier Newbuilding Deliveries*

In October and November 2017, Teekay LNG took delivery of two MEGI LNG carrier newbuildings, the *Macoma* and *Murex*, chartered to Royal Dutch Shell (*Shell*), which immediately commenced their six and seven-year charter contracts, plus extension options, respectively.

In October 2017, Teekay LNG's 30%-owned joint venture with China LNG Shipping (Holdings) Limited and CETS (an affiliate of China National Offshore Oil Corporation) took delivery of an LNG carrier newbuilding, the *Pan Asia*, which immediately commenced its 20-year charter contract with Shell.

### *Yamal Newbuilding Delivery and Financing Secured*

In December 2017, Teekay LNG completed an \$816 million long-term debt facility (on a 50% basis) to finance all six of Teekay LNG's 50%-owned ARC7 LNG carrier newbuildings, which are scheduled to deliver through early-2020. These newbuildings will service the Yamal LNG project under charter contracts with firm charter periods out to 2045 plus option periods. In January 2018, Teekay LNG took delivery of its first 50%-owned ARC7 LNG carrier newbuilding, which immediately commenced its charter contract.

### *Commencement of Operations of the Pioneiro de Libra FPSO*

In November 2017, Teekay Offshore's 50%-owned *Pioneiro de Libra* FPSO, which was converted from a shuttle tanker at Sembcorp's Jurong shipyard in Singapore, commenced its 12-year charter contract with a consortium of international oil companies, including Petrobras, Total S.A., Shell, China National Petroleum Corporation and China National Offshore Oil Corporation, on the giant Libra block in the Santos Basin offshore Brazil.

### *Commencement of Operations of the Randgrid FSO*

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In October 2017, Teekay Offshore's *Randgrid* FSO, which was converted from a shuttle tanker at Sembcorp's Sembawang shipyard in Singapore, commenced its three-year time-charter contract with Statoil ASA (*Statoil*), including 12 additional one-year extension options, on the Gina Krog oil and gas field in the Norwegian sector of the North Sea.

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### *Completion of Upgrades on the Petrojarl I FPSO and Entry into Charter Amendment*

In December 2017, Teekay Offshore completed the upgrades of the *Petrojarl I* FPSO unit and the unit has arrived on the Atlanta field in Brazil. The unit is now undergoing field installation and testing prior to commencing its five-year charter contract with Queiroz Galvão Exploração e Produção SA (*QGEP*), which is expected to occur in the latter part of the first quarter of 2018.

In July 2017, Teekay Offshore signed an amendment to the *Petrojarl I* FPSO five-year charter contract with QGEP. The amended charter contract includes an extension to the delivery window for the project and an adjusted charter rate profile which reduces the day rate for the FPSO unit during the first 18 months of production. During the final 3.5 years of the contract, the charter contract will revert to a rate that is higher than the original day rate plus oil price and production tariffs, which will provide the potential for Teekay Offshore to recover more than the reduction given in the first 18 months of the charter contract.

### *Voyageur Spirit FPSO Head of Terms*

In November 2017, Teekay Offshore entered into a heads of terms with Premier Oil to extend the employment of the *Voyageur Spirit* FPSO unit on the Huntington field for an additional 12 months out to April 2019. The new contract, which is expected to take effect in April 2018, will include a fixed charter rate component plus a component based on oil production and oil price.

### *Delivery of East Coast of Canada Shuttle Tanker Newbuildings*

In October 2017 and November 2017, Teekay Offshore took delivery of the first two East Coast of Canada shuttle tanker newbuildings, the *Beothuk Spirit* and the *Norse Spirit*. The *Beothuk Spirit* commenced its charter contract with a group of oil companies in December 2017, which replaced an existing in-chartered vessel servicing the East Coast of Canada that will be transferred to the North Sea to operate in Teekay Offshore's contract of affreightment (or *COA*) portfolio in the North Sea. The *Norse Spirit* is expected to commence its charter contract in January 2018 with a group of oil companies, which will replace an existing in-chartered vessel servicing the East Coast of Canada that will be redelivered to its owner.

### *Delivery of Towage Newbuildings*

In June and October 2017, respectively, Teekay Offshore took delivery of the *ALP Defender* and *ALP Sweeper*, the second and third of four state-of-the-art SX-157 Ulstein Design ultra-long distance towing and offshore installation newbuildings being constructed by Niigata Shipbuilding & Repair in Japan. Due to the delayed deliveries of the vessels, Teekay Offshore received reimbursements from the shipyard totaling \$16.6 million in the second quarter of 2017.

### *Shuttle Tanker Newbuildings*

In July 2017, Teekay Offshore entered into shipbuilding contracts with Samsung Heavy Industries Co. Ltd., to construct two Suezmax DP2 shuttle tanker newbuildings, for an aggregate fully built-up cost of approximately \$294 million, with options to order up to two additional vessels. These newbuilding vessels will be constructed based on the *New Shuttle Spirit* design which incorporates technologies to increase fuel efficiency and reduce emissions, including LNG propulsion technology. Upon delivery in late-2019 and early-2020, these vessels will provide shuttle tanker services in the North Sea under Teekay Offshore's existing master agreement with Statoil, which will add vessel capacity to service its CoA portfolio in the North Sea.

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In November 2017, Teekay Offshore declared options with Samsung Heavy Industries Co. Ltd., to construct two additional Suezmax DP2 shuttle tanker newbuildings, for an aggregate fully built-up cost of approximately

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\$265 million. These newbuildings will also be constructed based on the *New Shuttle Spirit* design. Upon delivery in 2020, these vessels will join Teekay Offshore's CoA portfolio in the North Sea.

### *Petrojarl Varg Front-End Engineering and Design Study*

In March 2017, Teekay Offshore entered into a customer-funded, front-end engineering and design (or *FEED*) study agreement for the *Petrojarl Varg* FPSO unit with Alpha Petroleum Resources Limited, which is backed by private equity firm Petroleum Equity, for the development of the Cheviot field, formerly known as the Emerald field, located in the U.K. sector of the North Sea. The purpose of the FEED study is to define the modifications required for the *Petrojarl Varg* FPSO unit. The FEED study was completed in December 2017 and will be used to negotiate the terms of a potential FPSO contract for the development of the Cheviot field.

### *Rio das Ostras FPSO Contract Extension*

In January 2018, Teekay Offshore entered into a contract extension with Petrobras to extend the employment of the *Petrojarl Cidade de Rio das Ostras* FPSO for four months at a slightly lower fixed rate. Petrobras also has an option to extend the contract a further two months out to July 2018. The new contract will take effect immediately.

For information about other recent developments relating to us and our publicly-traded subsidiaries, Teekay LNG and Teekay Tankers, and Teekay Offshore (in which we have an equity-accounted investment), please read Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations - Recent Developments and Results of Operations in our Report on Form 6-K for the quarter ended September 30, 2017 filed with the SEC.

## **Concurrent Convertible Notes Offering**

Concurrently with this offering of common stock, we are offering our % Convertible Senior Notes due 2023 in aggregate principal amount of \$100,000,000, or \$115,000,000 if the initial purchasers in that offering exercise in full their over-allotment option (which we refer to herein as the *concurrent notes offering*). The concurrent notes offering is being conducted in an offering exempt from registration under the Securities Act of 1933, as amended (or the *Securities Act*), and is being made only to qualified institutional buyers. This prospectus supplement is not an offer with respect to the concurrent notes offering. This offering is not contingent upon the completion of the concurrent notes offering, and the concurrent notes offering is not contingent upon the completion of this offering. We cannot assure you that either of these offerings will be completed or on what terms they will be completed.

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**The Offering**

Issuer	Teekay Corporation
Common stock offered by us	10,000,000 shares. <sup>1</sup>  11,500,000 shares if the underwriters exercise their option to purchase additional shares in full.
Use of proceeds	We intend to use the net proceeds from this offering, together with the net proceeds, if any, from the concurrent notes offering, for general corporate purposes, which may include, among other things, repaying a portion of our outstanding indebtedness and funding working capital. Please read Use of Proceeds.
New York Stock Exchange Symbol	TK
Risk factors	Investing in our common stock involves risks. You should carefully consider each of the factors described or referred to under Risk Factors beginning on page S-11 of this prospectus supplement, page 4 of the accompanying prospectus and in the documents incorporated by reference into this prospectus supplement and accompanying prospectus before you make an investment in our common stock.
Concurrent convertible notes offering	Concurrently with this offering of common stock, we are offering \$100,000,000 aggregate principal amount of our % Convertible Senior Notes due 2023 (or \$115,000,000 aggregate principal amount if the initial purchasers in that offering exercise in full their over-allotment option). The concurrent notes offering is being conducted as an offering exempt from registration under the Securities Act and is being made only to qualified institutional buyers. This offering is not contingent upon the completion of the concurrent notes offering, and the concurrent notes offering is not contingent upon the completion of this offering. We cannot assure you that either of these offerings will be completed. Please read Concurrent Convertible Notes Offering.

<sup>1</sup> Does not include the shares of our common stock to be reserved for issuance upon conversion of the notes being separately offered by us in connection with the concurrent notes offering.

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**RISK FACTORS**

An investment in our common stock involves a high degree of risk. Before investing in our common stock, you should carefully consider the following risk factors together with all the information included or incorporated by reference in this prospectus, including the risks discussed under the heading "Risk Factors" in the accompanying prospectus, in our latest Annual Report on Form 20-F, as amended, filed with the SEC and in our report on Form 6-K for the quarter ended June 30, 2017 filed with the SEC, each of which is incorporated by reference into this prospectus supplement. For more information, please read "Where You Can Find More Information" in the accompanying prospectus and "Incorporation of Documents by Reference" in this prospectus supplement. In addition, you should read "Material United States Federal Income Tax Considerations" in this prospectus supplement and in the accompanying prospectus for a more complete discussion of expected material U.S. federal income tax consequences of owning and disposing of our common stock.

If any of these risks were to occur, our business, financial condition, operating results or cash flows could be materially adversely affected. The risks and uncertainties we have described are not the only ones we face. Additional risks and uncertainties that are not yet identified may also materially harm our business, financial condition, operating results and cash flows. In that case, the trading price of our common stock could decline, you could lose all or part of your investment and our ability to pay dividends on shares of our common stock may be reduced or restricted.

**Risks Inherent in an Investment in our Common Stock**

*If the share price of our common stock fluctuates after the offering contemplated by this prospectus, you could lose a significant part of your investment.*

The market price of our common stock may be influenced by many factors, many of which are beyond our control, including those described under the caption "Risk Factors" in our Annual Report on Form 20-F, as amended, for the year ended December 31, 2016, and in our Form 6-K for the quarter ended June 30, 2017, both filed with the SEC, and the following:

the failure of securities analysts to publish research about us after the offering, or analysts making changes in their financial estimates;

announcements by us or our competitors of significant contracts, acquisitions or capital commitments;

variations in quarterly operating results;

general economic or financial market conditions;

terrorist acts;

future sales of shares of our common stock or other securities; and

investors' perception of us and our markets and industries.

As a result of these factors, investors in our common stock may not be able to resell their shares at or above the offering price of the shares of common stock covered by this prospectus supplement. These broad market and industry factors may materially reduce the market price of shares of our common stock regardless of our operating performance.

***Anti-takeover provisions in our organizational documents and our shareholders rights plan could make it difficult for our shareholders to replace or remove our current board of directors or have the effect of discouraging, delaying or preventing a merger or acquisition, which may adversely affect the market price of our common stock.***

Several provisions of our articles of incorporation and bylaws could make it difficult for our shareholders to change the composition of our board of directors, preventing them from changing the composition of

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management. In addition, the same provisions, as well as our shareholders rights plan, may discourage, delay or prevent a merger or acquisition that our shareholders may consider favorable.

These provisions include:

establishing a classified structure of our board of directors, with directors divided into three staggered classes of directors and each serving three-year terms;

authorizing our board of directors to issue blank check preferred shares without shareholder approval;

prohibiting cumulative voting in the election of directors;

authorizing the removal of directors, with cause, only by the affirmative vote of the holders of at least 66-2/3% of the voting power of our outstanding capital stock or by directors constituting a majority of the entire board of directors;

limiting the persons who may call special meetings of shareholders; and

establishing advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted on by shareholders at shareholder meetings.

These anti-takeover provisions and our shareholders rights plan could substantially impede the ability of our common shareholders to benefit from a change in control and, as a result, may adversely affect the market price of our common stock and your ability to realize any potential change-in-control premium.

***We may issue additional shares of common stock or other securities without your approval, which would dilute your ownership interests and may depress the market price of the common stock.***

We may issue additional shares of common stock and other equity securities of equal or senior rank, without shareholder approval, in a number of circumstances.

The issuance by us of additional shares of common stock or other equity securities of equal or senior rank will have the following effects:

our existing shareholders' proportionate ownership interest in us will decrease;

the amount of cash available for dividends payable on our common stock may decrease;



the relative voting strength of each previously outstanding share may be diminished; and

the market price of our common stock may decline.

***It may not be possible for investors in our common stock to enforce U.S. judgments against us.***

We are incorporated under the laws of the Republic of The Marshall Islands and most of our subsidiaries are

organized in countries other than the United States. Substantially all of our assets and those of our subsidiaries are located outside the United States. As a result, it may be difficult or impossible for investors in our common stock to enforce judgments upon us for civil liabilities in U.S. courts. In addition, you should not assume that courts in the countries in which we or our subsidiaries are incorporated or where our or the assets of our subsidiaries are located (a) would enforce judgments of U.S. courts obtained in actions against us or our subsidiaries based upon the civil liability provisions of applicable U.S. federal and state securities laws, or (b) would entertain original actions brought against us or our subsidiaries based upon these laws.

***The convertible notes may adversely affect the market price of our common stock.***

The market price of our common stock is likely to be influenced by the convertible notes being offered in the concurrent offering. For example, the market price of our common stock could become more volatile and could be depressed by:

investors' anticipation of the potential resale in the market of a substantial number of additional shares of our common stock received upon conversion of the convertible notes;

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possible sales of our common stock by investors who view the convertible notes as a more attractive means of equity participation in us than owning shares of our common stock; and

hedging or arbitrage trading activity that may develop involving the convertible notes and our common stock.

***Conversion of the notes sold in the concurrent notes offering may dilute the ownership interest of our existing shareholders.***

The conversion of some or all of the notes sold in the concurrent notes offering will dilute the ownership interests of existing shareholders to the extent we deliver shares upon conversion of any of the notes. Any sales in the public market of the common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock.

***We have broad discretion in the use of the net proceeds from this offering and the concurrent notes offering and may not use them effectively.***

As of the date of this prospectus supplement, we cannot specify with certainty the particular uses for the net proceeds we will receive from this offering or the concurrent notes offering, if any. We will have broad discretion in the application of the net proceeds, including any of the purposes described in Use of Proceeds. Any failure by us to apply these funds effectively could have a material adverse effect on our business.

**Tax Risks**

***U.S. tax authorities could treat us as a passive foreign investment company, which could have adverse U.S. federal income tax consequences to U.S. shareholders.***

A non-U.S. entity treated as a corporation for U.S. federal income tax purposes will be treated as a passive foreign investment company (or PFIC) for such purposes in any taxable year for which either (a) at least 75% of its gross income consists of passive income, or (b) at least 50% of the average value of the entity's assets is attributable to assets that produce or are held for the production of passive income. For purposes of these tests, passive income includes dividends, interest, gains from the sale or exchange of investment property and rents and royalties other than rents and royalties that are received from unrelated parties in connection with the active conduct of a trade or business. By contrast, income derived from the performance of services does not constitute passive income.

There are legal uncertainties involved in determining whether the income derived from our time-chartering activities constitutes rental income or income derived from the performance of services, including the decision in *Tidewater Inc. v. United States*, 565 F.3d 299 (5th Cir. 2009), which held that income derived from certain time-chartering activities should be treated as rental income rather than services income for purposes of a foreign sales corporation provision of the Internal Revenue Code of 1986, as amended (or the Code). However, the Internal Revenue Service (or IRS) stated in an Action on Decision (AOD 2010-01) that it disagrees with, and will not acquiesce to, the way that the rental versus services framework was applied to the facts in the *Tidewater* decision, and in its discussion stated that the time charters at issue in *Tidewater* would be treated as producing services income for PFIC purposes. The IRS's statement with respect to *Tidewater* cannot be relied upon or otherwise cited as precedent by taxpayers. Consequently, in the absence of any binding legal authority specifically relating to the statutory provisions governing PFICs, there can be no assurance that the IRS or a court would not follow the *Tidewater* decision in interpreting the PFIC provisions of the Code. Nevertheless, based on the current composition of our assets and operations (and those of our subsidiaries), we intend to take the position that we are not now and have never been a PFIC, and our counsel, Perkins Coie LLP, is of

the opinion that it is more likely than not we are not a PFIC based on representations we have made to them regarding the composition of our assets, the source of our income and the nature of our activities and operations. No assurance can be given, however, that the opinion of Perkins Coie LLP would be sustained by a court if contested by the IRS, or that we would not constitute a PFIC for any future taxable year if there were to be changes in our assets, income or operations.

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If the IRS were to determine that we are or have been a PFIC for any taxable year during which a U.S. Holder (as defined below under [Material United States Federal Income Tax Considerations](#) ) held stock, such U.S. Holder would face adverse U.S. federal income tax consequences. For a more comprehensive discussion regarding our status as a PFIC and the tax consequences to U.S. Holders if we are treated as a PFIC, please read [Material United States Federal Income Tax Considerations](#) [United States Federal Income Taxation of U.S. Holders](#) [Consequences of Possible PFIC Classification](#).

***We may be subject to taxes, which reduce our cash available for distribution to our shareholders.***

We or some of our subsidiaries may be subject to tax in the jurisdictions in which we or our subsidiaries are organized or operate, reducing the amount of our cash available for distribution. In computing our tax obligation in these jurisdictions, we are required to take various tax accounting and reporting positions on matters that are not entirely free from doubt and for which we have not received rulings from the governing authorities. We cannot assure you that upon review of these positions the applicable authorities will agree with our positions. A successful challenge by a tax authority could result in additional tax imposed on us or our subsidiaries in jurisdictions in which operations are conducted. For example, if Teekay Corporation was not able to meet the criteria specified by Section 883 of the U.S. Internal Revenue Code, our U.S. source income may become subject to taxation.

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**USE OF PROCEEDS**

We expect to receive net proceeds from the issuance and sale of common stock in this offering of approximately \$ million (or approximately \$ million if the underwriters exercise their option to purchase 1,500,000 additional shares of common stock in full), after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds from this offering, together with the net proceeds, if any, from the concurrent notes offering, for general corporate purposes, which may include, among other things, repaying a portion of our outstanding indebtedness and funding working capital.

Concurrently with this common stock offering, we are offering to qualified institutional buyers in a separate offering exempt from registration \$100,000,000 aggregate principal amount of our Convertible Senior Notes due 2023 (or up to \$115,000,000 aggregate principal amount if the initial purchasers in that concurrent offering exercise their option to purchase additional notes in full). We make no assurance that the concurrent notes offering will be completed or, if completed, on what terms it will be completed. The closing of this common stock offering is not contingent on the closing of the concurrent notes offering and the closing of the concurrent notes offering is not contingent on this common stock offering.

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